

that America has for life, when we saw the big, strong police and the firefighters taking people that were in wheelchairs that were hurt or helpless, risking their lives to try to protect the lives of fellow Americans. This was not something that was orchestrated. This was something that we just did. It was an outpouring of the very heart of America.

Subsequently, as we started to go after those people who did not have the respect for life that we have in our culture developed through the years, these terrorists who make it their job of killing people, of taking life, how did we proceed? Did we do the very safest and simplest thing for us, which would have been to unleash a whole lot of nuclear devices on countries that were targets? Of course we did not. We took extra pains to make sure that we tried to minimize collateral damage. We tried to be very, very careful that nobody's life was taken except for people who were immediately responsible or culpable for these acts of terrorism. That has been done at a great risk to many of our own airmen and our own soldiers and all who are involved and even now defending us overseas as we discuss these important questions.

Mr. Speaker, in conclusion, I would call my colleagues back to the things that America has always stood for; that our young men and women have sometimes come home underneath a flag defending this very basic concept, a concept that is bigger than America, a concept that is being taken by America to the entire world, the concept that there is a God, and that every single person in this world is an heir to these unalienable rights, particularly this right to life.

So I close with this appeal that we must recognize this right to life in this situation where a little child is beaten to death. They must be recognized by law, and I urge my colleagues to pass the Unborn Victims of Violence Act.

Mr. Speaker, I yield now to the gentlewoman from Pennsylvania (Ms. HART), my respected colleague and the coauthor of this legislation.

Ms. HART. Mr. Speaker, I thank the gentleman for his comments and for his support for the legislation. I want to also emphasize the support we have heard today not only from our colleagues, but the support we have heard today from the Lyons family from Kentucky, the support that we have heard from a number of different families who have experienced this tragic loss of their daughter and their grandchild.

It is a very sad situation that we are talking about with this legislation, but it is one that we obviously can try to help prevent through a criminal law, through recognition of the mother and the child both as victims, and one that I think we would be remiss in fact in our work if we do not pass this legislation.

Recent polling shows that upwards of 80 percent of registered voters, and that includes 69 percent of registered

voters who identify themselves as pro-choice, believe that prosecutors should be able to separately charge the attacker who attacks a pregnant woman and causes injury or death to her and/or her unborn child. Twenty-nine out of the 50 States already have legislation that recognizes that crime, the crime against the mother and the crime against the unborn child.

The language that we use, which has been somewhat controversial by those opponents of this bill, is where we describe a child in utero. This is actual language that this House has used before, and the House passed the bill unanimously. So that language was supported unanimously on a bipartisan basis in legislation that passed before I came to this Congress. I believe it was in the 106th Congress that they passed a bill called the Innocent Child Protection Act, which banned the Federal death penalty for a woman who is pregnant and they described the pregnancy as "carrying a child in utero," and defined that child exactly to the word as we have defined that child in our legislation.

Therefore, Mr. Speaker, it is obvious that this is not new. This language is well set and accepted by this House of Representatives, and anyone who tries to make a claim to the contrary is simply ignoring the truth. They are ignoring the facts.

The most important part, though, Mr. Speaker, is that we recognize families. We recognize women who have made a choice to carry their child to term, a mother to carry her child to term. A woman who is attacked, who may be murdered or may just be seriously injured and survive the attack, will have to live the rest of her life with the knowledge that someone attacked her and took that choice away from her, killed her child. It is important for us to recognize and allow our law enforcement and prosecutors to recognize that child, recognize that family's loss, and allow a prosecution of that crime.

Finally, Mr. Speaker, I want to bring up a couple of points about domestic violence. We have seen statistics that show that unfortunately the cause of death among pregnant women in States that actually keep those statistics, Maryland, New York, Illinois, among the ones that we saw, showed us that upwards of a quarter of the pregnant women who die, die as a result of a homicide.

Mr. Speaker, the recognition of that fact is important for us as well. It is a serious case of domestic violence when a woman is beaten to death, clearly. It is a serious case of domestic violence when both the woman and her child are beaten to death, her unborn child is beaten to death. It should be recognized by this Congress. It should be recognized by this Nation.

I encourage my colleagues to support our two-victim bill, the Unborn Victims of Violence Act, named in honor and remembrance of Laci and Conner

Peterson; and I thank the gentleman from Missouri (Mr. AKIN) for yielding to me.

PENTAGON OPENS CRIMINAL FRAUD INVESTIGATION INTO HALLIBURTON

The SPEAKER pro tempore (Mr. BISHOP of Utah). Under the Speaker's announced policy of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, earlier this week the Pentagon did something that the House Republican leadership should have done many months ago, and that is they opened a criminal fraud investigation into Halliburton. The Pentagon is expected to investigate the overcharging of at least \$61 million for fuel shipped from Iraq to Kuwait. Halliburton has also been accused of charging the government for meals it never served at dining facilities in Iraq and Kuwait. The company agreed to reimburse the government \$27.4 million for potential overcharges related to the meals and \$6.2 million to cover other potential overcharges.

Now, Mr. Speaker, all I can say is it is about time. I have been coming to the floor with a group of my Democratic colleagues to highlight these possible overcharges by Halliburton and called on the House Republican leadership to hold open hearings on whether or not Halliburton is overcharging the American taxpayer with its reconstruction work in Iraq. Instead, the Senate and the House, both controlled by Republicans, continue to turn a blind eye to possible waste and mismanagement by Halliburton in Iraq. Congressional Republicans even refuse to question the Bush administration on the billions of dollars of taxpayer money now going to Halliburton, much less create any special committee to oversee these funds.

I ask you, Mr. Speaker, what are my Republican colleagues afraid of? Why do they refuse to hold Halliburton accountable for the billions it is now spending in Iraq? Could it be that congressional Republicans do not want to draw more attention to the fact that the company profiting from the reconstruction of Iraq, Halliburton, has close ties to Vice President CHENEY? Back in 2002, Vice President DICK CHENEY said these words, and I quote, "Halliburton is a fine company, and I am pleased that I was associated with the company."

Now, how can the Vice President say that Halliburton is a fine company? Let us look at some of the facts.

Fact number one: Halliburton has acknowledged that it accepted, and I quote, "accepted up to \$6 million in kickbacks in its contract work in Iraq."

Fact number two: Halliburton is now being investigated by the Pentagon for overcharging the American government for its work in Iraq.

□ 1800

Fact No. 3, Halliburton faces criminal charges in a \$180 million international bribery scandal during the time that CHENEY was the CEO of the company.

Fact No. 4, Halliburton has been repeatedly warned by the Pentagon that the food it was serving 110,000 U.S. troops in Iraq was dirty, and a Pentagon audit found blood all over the floor of the kitchens Halliburton supplies over in Iraq.

Fact No. 5, Halliburton is getting around an American law that forbids doing business with rogue nations. Thanks to a giant loophole, Halliburton is able to do business with Iran, of all nations, through a subsidiary in the Cayman Islands.

Mr. Speaker, how can the Vice President characterize Halliburton as a fine company? One has to wonder since Vice President CHENEY seems to condone such conduct if the company was any different when he was in charge. It probably makes sense for the Vice President to continue to praise Halliburton considering that the company continues to pay the Vice President hundreds of thousands of dollars each year. Vice President CHENEY tried to squash such a story when he appeared on Meet the Press last year. He stated, "And since I left Halliburton to become George Bush's Vice President, I have severed all of my ties with the company, gotten rid of all my financial interest. I have no financial interest in Halliburton of any kind, and have not had now for over 3 years." That was the Vice President's quote on Meet the Press.

But despite the Vice President's claims, the Congressional Research Service issued a report several weeks later concluding that because Cheney receives a deferred salary and continues to hold stock interests, he still has a financial interest in Halliburton. In fact, if the company were to go under, the Vice President could lose the deferred salary, a salary he is expecting to continue to receive this year and next year. While losing around \$200,000 a year might not put a dent in the Vice President's wallet, he clearly still has a stake in the success of Halliburton.

The Vice President also neglects to mention that he continues to hold more than 433,000 stock options. The Congressional Research Service reports that these stock ties "represent a continuing financial interest in those employers which make them potential conflicts of interest."

This was not the first time that Vice President CHENEY has misrepresented his role in Halliburton. Just last month the Vice President stated, in reference to government manipulation by Halliburton during his tenure, "I would not know how to manipulate the process if I wanted to." But what the Vice President neglects to say is that Halliburton cashed in after Cheney took over Halliburton. Under Cheney's

leadership, Halliburton doubled the value of its government contracts. According to a report by the Washington-based Center for Public Integrity, the company took in revenue of \$2.3 billion on government contracts, which was up \$1.2 billion from the 5-year period before the Vice President arrived.

It is possible that Halliburton is the right company to do this work, but then how does the Bush administration and the Republican Congress explain why there is so much secrecy surrounding the whole deal? Could it be that the Republican Congress and the Bush administration are concerned that the more light that is shed on Halliburton's use of taxpayer money, the more examples of waste and mismanagement are likely to be exposed?

Mr. Speaker, earlier this month since congressional Republicans refused to hold hearings on the billions of dollars handed over to Halliburton with no oversight, my Democratic colleagues in the other Chamber held a hearing in which a former Halliburton employee testified about the company's practices. Mr. Bunting purchased supplies for Halliburton in Kuwait last summer. According to Bunting, Halliburton spent too much on supplies for the reconstruction effort in part because it wanted to avoid seeking competitive bids from government suppliers. Bunting charges that Halliburton's supervisors wanted purchasers to buy from a preferred list of companies in Kuwait even when those companies charged high prices. Supervisors also told their workers to keep most purchase orders below \$2,500 so that the company would not have to seek bids from multiple vendors. Now Bunting is a former employee of Halliburton's, and he is telling a group of Democratic Senators that the company is overcharging the American taxpayer.

Even with all of this information, the House Republicans continue to allow Halliburton to receive billions of dollars without any oversight from Congress. If Democrats were in the majority in the House, we would definitely be making sure that Halliburton was no longer ripping off the American taxpayer. In fact, if it had not been for the resourceful work and the dedication of two of my colleagues, Halliburton would still be robbing the taxpayers blind with outrageous gasoline prices.

Last year two of my Democratic colleagues on the Committee on Energy and Commerce, a committee on which I serve, the gentleman from Michigan (Mr. DINGELL) and the gentleman from California (Mr. WAXMAN) exposed the outrageous fact that Halliburton was inflating gasoline prices at a great cost to American taxpayers. In a letter to the OMB Director Mr. Bolten, the gentleman from Michigan (Mr. DINGELL) and the gentleman from California (Mr. WAXMAN) wrote that the independent experts that they consulted have been appalled to learn that the U.S. Government has paid Halliburton \$1.62 to \$1.70 to import gasoline into Iraq.

According to these experts, the price that Halliburton was charging the gasoline is outrageously high, potentially a huge rip-off, and highway robbery. During the relevant period, the average wholesale cost of gasoline in the Midwest was around 71 cents a gallon, meaning that Halliburton was charging over 90 cents per gallon just to transport the fuel into Iraq. Let me just repeat that again. The U.S. Government was paying Halliburton \$1.62 to \$1.70 to import gasoline into Iraq, but at that time the wholesale cost in the Middle East was around 71 cents a gallon. So Halliburton was charging 90 cents per gallon more just to transport the fuel from Kuwait. There is no way that could be justified. According to the experts, this exorbitant transportation charge is inflated many times over.

Compounding the cost to the taxpayers, this expensive gasoline is then sold to Iraqis at a price of just 4 to 15 cents per gallon. Although Iraq has the second largest oil reserves in the world, the U.S. taxpayers are in effect subsidizing over 90 percent of the cost of gasoline sold in Iraq. This is just incredible when we think about it.

Mr. Speaker, in light of this new information, the gentleman from California (Mr. WAXMAN) and the gentleman from Michigan (Mr. DINGELL) requested that OMB Director Bolten provide copies of all contracts, task orders, invoices and related documents issued to date regarding Halliburton's work in Iraq. The purpose was so Congress could conduct its own independent investigation of these issues on behalf of the U.S. taxpayer.

There is no question that this request from my Democratic colleagues was reasonable. After all, if Halliburton was grossly overcharging the American taxpayer for the transportation of oil, it was highly unlikely that the overcharges ended there. Over the past couple of months, we have learned of lots of other overcharges; and yet still my Republican colleagues are silent on the issue. We do not see the waste watchers, a group of Republicans who come down to the floor periodically to rail against waste in the Federal Government, a government that they currently control, and we do not see them coming down to the floor to rail about Halliburton's gouging of the Federal purse. We do not see any Republicans expressing the need for more congressional oversight of the current contracts going to Halliburton and others, even though these problems continue to be exposed in the media on a regular basis.

Mr. Speaker, it just appears to be another example of how the House Republicans have taken this House away from the people and handed it over to an elite few, corporate executives and other interests. I do not know how many more days are going to go by or how many more weeks are going to go by with continuing charges, often backed up in the media, about what

Halliburton is doing and how it is abusing its situation in Iraq before the Republicans in this body finally demand that there be some oversight and some hearings to look into these issues.

Mr. Speaker, again we have a huge deficit. We have a lot of spending needs. How can we possibly justify continuing to waste this money on behalf of Halliburton? It just does not make any sense.

Mr. Speaker, I see the gentleman from Ohio (Mr. BROWN) is here, and I yield to the gentleman.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman. The gentleman from New Jersey (Mr. PALLONE) has put this into a perspective to sort of understand the whole operation in Iraq and what it has meant to this company which had very close ties to private citizen Mr. CHENEY, and still has very close ties to Vice President CHENEY. That context would be this: We are spending about 1.5 billion taxpayer dollars in Iraq every week, about \$1.5 billion every week in Iraq. Some of it is military, some of it is construction, a whole host of activities in Iraq.

Not nearly enough of that money goes, frankly, for body armor for our soldiers. As we have seen with the Halliburton scandals, not nearly enough of that money goes to feed or house the troops, or for protective armor on Humvees. We also know where a lot of the money is going. Approximately one-third of the billion and a half, close to \$500 million per week, is going to private contractors. Not the Pentagon, not government employees, not soldiers, not what we traditionally think of as a military operation; \$500 million roughly per week is going to private corporations. Many of those contracts are unbid contracts. A decision is simply made, possibly by Vice President CHENEY, who was CEO at Halliburton and still is on the Halliburton payroll. Some of that money is given in unbid contracts to Halliburton and other companies. Halliburton has \$2 billion in unbid contracts.

I have had regular meetings with Guard and Reserve families in my district. I do not think that the public understands, nor did I before I met with some of these families, when someone is in Iraq as a Guard or Reserve member, it almost always creates financial hardship for their family stateside. In other words, if you are making \$30,000 or \$40,000 working here, you give up that salary and go to Iraq with the Guard or Reserve, your family has significant financial pain as a result of your going overseas.

One woman told me her husband was driving a truck as a National Guard member, getting paid about \$1,500 a month, between Kuwait and Iraq. Next to him was another gentleman driving a truck that worked for Brown & Root, a subsidiary of Halliburton, who was paid about \$7,000 a month. The guy working for the taxpayers for the armed services in our Army was obvi-

ously wearing a uniform and getting paid \$1,500 a month, and was a target of obviously terrorist acts and Iraqi sharpshooters and suicide bombers. The civilian was less of a target because he did not have a military uniform on and was paid four or five times as much.

That is what this privatization of the military has done, coupled with the fact that not only is he paid that \$7,000, Halliburton is able to charge cost plus. They are able to charge the government the \$7,000 plus a certain profit markup. So the more that they pay their private civilians, this truck driver or their executives especially who are in Iraq, the more they can add on to the price, the cost to the taxpayers, as a result of these cost plus contracts.

So we have Halliburton as a private contractor bringing in billions of taxpayer dollars, and we have the Vice President of the United States who still is on the Halliburton payroll. When you think about that, we as a Nation, our taxpayers are funding unbid contracts to one of America's largest companies which has direct ties to the Vice President of the United States, it is a pretty incredible phenomenon, something the national media which generally does not like, and some of the national media are actually owned by defense contractors. GE owns NBC, for example, so it is no surprise they do not want to talk about that, and the list goes on.

The fact is that Halliburton, a company which has gotten literally a couple of billion dollars in private contracts, has close ties to Vice President CHENEY.

Let me mention a couple of comments, and then let me mention a couple of other facts.

Vice President CHENEY said before the election, "What I will have to do, assuming we are successful in the election, is divest myself, that is sell my remaining shares that I have in the company."

□ 1815

CNN reported in late 2003, a congressional report found that CHENEY still owns, quote, more than 433,000 Halliburton stock options, including 100,000 shares at \$54.50 a share, 33,333 shares at \$28 a share and 300,000 shares at \$39.50 per share. This is a company that gets billions of dollars in unbid contracts, the decision being made, perhaps by the Vice President, perhaps by the President, certainly somebody at the White House, and he has stock options in this company. That is one example.

Mr. CHENEY early this year said, "I severed my ties with Halliburton when I became a candidate for Vice President in August of 2000." He said that this year. Yet CNN reported along with 433,000 stock options, CHENEY still receives \$150,000 a year from Halliburton. The Vice President of the United States is paid \$3,000 a month from a company that gets billions of dollars in unbid contracts of taxpayer dollars. I

am not saying that Vice President CHENEY is making all these decisions because he is on their payroll, but he is on their payroll. He receives, not \$3,000 a month, \$3,000 a week, \$150,000 a year, \$3,000 a week by Halliburton, yet these unbid contracts continue.

He also said this during the campaign: "What happens financially by joining the ticket with Governor Bush obviously means I take a bath in one sense," meaning he was going to make less money. The New York Times said Halliburton has agreed to let Mr. CHENEY retire with a package worth an estimated \$20 million according to people who reviewed the deal. This contract is still giving and giving and giving and giving.

One more example. Then private citizen CHENEY in August of 2000: "I'll do whatever I have to do to avoid a conflict of interest. I'll eliminate the conflict, I can assure you. I've said repeatedly I will not tolerate or be a party to a conflict of interest while I'm Vice President. I'll do whatever I have to do to resolve that conflict." CNN just a few months ago said a congressional report found that more than 433,000 stock options he possesses is considered among the ties he retained or linkages to former employers that may represent a continuing conflict of interest. I do not know which is more astounding or which is more outrageous and which is, frankly, more immoral, the fact that he continues to get paid by this company while shoveling billions of taxpayers' dollars in unbid contracts to this company or the fact that Vice President CHENEY is not telling the truth about it.

This is an administration, as we are learning more and more, that falls short of telling the truth. Vice President CHENEY did not tell the truth about his willingness to cut ties with his company. He did not tell the truth about the unbid contracts. He is not telling the truth about the money he is still receiving from Halliburton.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BURGESS). The gentleman will suspend.

The Chair must caution that it is not in order to refer to the Vice President in terms that are accusatory or personally offensive.

Mr. BROWN of Ohio. Mr. Speaker, I do not understand what that means. I appreciate the Speaker's comments. So if the Vice President said something and did another, I may say that; but if he said something and did another, I cannot say that he lied about it?

The SPEAKER pro tempore. The Chair would instruct that the gentleman should refrain from saying the Vice President did not tell the truth.

Mr. BROWN of Ohio. I would ask the Chair for advice on how I speak. If the President said something and did something else, if I am not supposed to say he did not tell the truth, what phraseology does the Chair allow me to use in this, I thought, open forum, open body where people can speak freely?

The SPEAKER pro tempore. The gentleman understands that it is not the purpose of the Chair to construct his remarks for him. The Chair would merely caution the gentleman that terms that are accusatory or personally offensive should not be permitted in the body.

Mr. BROWN of Ohio. I think it is pretty offensive that the Vice President is still receiving \$3,000 a month from a company which is getting billions of dollars in unbid contracts and he is telling us he has severed ties with that company. I guess I will not say the Vice President lied about it. I am not allowed to say that. I do not quite know how to describe it. But let me move to something else.

So we have an administration where the Vice President has done what I just said. We have an administration where the President has said the Medicare bill would cost \$400 billion; and I do not want to say the President lied, but then the Medicare bill we find out 7 weeks later cost \$530 billion. We find that the President told us one thing about Iraq. I do not want to say he lied, either, but then we find out something else entirely different about Iraq.

We hear, and I would mention this, on the front page of a generally pretty conservative newspaper in this city, that the President's people, the administration said just a couple of years ago, way after September 11, we would have 3.4 million more jobs created in 2003 than there were in 2000, yet it turns out we have had 1.7 million jobs fewer. I do not want to say the administration did not tell the truth about that, but their predictions were way, way off. Then the President said, the administration said, the budget deficit would be \$14 billion. It has turned into being \$521 billion.

Mr. Speaker, I think we are seeing here a habit of prevarication, a tendency to tell us one thing and see something else, whether it is the Medicare bill, whether it is Iraq, whether it is the President's connections with this company that is getting billions of taxpayers' dollars and giving to the Vice President \$3,000 a week and millions of dollars in stock options. It just does not really quite add up.

Mr. PALLONE. I appreciate my colleague from Ohio's comments. Regardless of how he has to phrase it, I think the bottom line is that there is a major inconsistency between what the Vice President said and what the reality is in terms of the amount of money and his connections to Halliburton. I have to say, though, "60 Minutes" did a report, I guess this was at the end of January, and I know that many of us have mentioned this before about this Halliburton subsidiary that is doing business with Iran. To me, although everything that we have mentioned is pretty bad, when this came out on the "60 Minutes" program back at the end of January, I was really more outraged by this than even all the other things that Halliburton was involved with.

This was on January 25, as I said, on "60 Minutes." Correspondent Leslie Stahl who was doing the report, the concern was on behalf of William Thompson, the New York City comptroller who oversees the \$80 billion in pension funds for New York City workers or employees. What he was speaking about was the fact that New York City employees' pension funds are basically invested in several companies, including Halliburton, that through subsidiaries do business with the countries that President Bush has referred to as rogue nations, such as Iran and Syria, Libya and others. I just wanted to zero in on Halliburton. We could talk about the others, but tonight we are talking about Halliburton because of the potential conflict of interest with the Vice President.

What was said on "60 Minutes," again, and this is a quote, in the case of Halliburton as an example, this is Mr. THOMPSON speaking, they have an offshore subsidiary in the Cayman Islands that does business with Iran. That subsidiary, Halliburton Products and Services, Ltd., is wholly owned by the U.S.-based Halliburton and is registered in a building in the capital of the Cayman Islands, a building owned by the local Caledonian Bank. Halliburton and other companies set up in this Caribbean island because of tax and secrecy laws that are corporate-friendly.

Apparently the law says that an American company cannot do business with one of these rogue nations such as Iran, but you can get around it in some way because the law does not apply to any foreign or offshore subsidiary so long as it is run by non-Americans. But I would venture to say that even that loophole is being violated by Halliburton in this case because in this "60 Minutes" interview, I guess they actually went to the subsidiary in the Cayman Islands and they were not allowed to enter the building with a camera so they went in with a hidden camera and were introduced to David Walker, the manager of the local bank where the subsidiary is registered.

"60 Minutes" figured, well, they would find some kind of operation here, some kind of business, but to their surprise they were told by David Walker, the manager of the bank, that while Halliburton Products and Services was registered at this address in the Cayman Islands, it was in name only. There was no actual office there or anywhere else in the Cayman Islands and there were no employees on the site. They were told, the "60 Minutes" reporters, that if mail for the Halliburton subsidiary comes to this address that they reroute it to the Halliburton headquarters in Houston.

Mr. Walker went on to say, the bank manager, and I quote, "If you understand what most of these companies do, they're not doing any business in Cayman per se. They're doing international business," says Walker. Would it make sense to have somebody in

Cayman pushing paper around? I do not know. And it is mostly driven by whatever the issues are with the head office.

So what is basically happening here is the head office in Houston of Halliburton is calling the shots. Nobody is working at this local subsidiary. It does not even have an office. It has simply been set up so that Halliburton can do business with Iran. Think about it. Iran is on the list of rogue nations. You cannot do business with them. Of course, Iran exports terrorism around the world. So essentially Halliburton is benefiting from terrorism. Here we are. The President said that the reason we went into Iraq was because of the war against terrorism. The biggest company that has the contracts, no-bid contracts, in Iraq is Halliburton, which was formerly headed by Vice President CHENEY. They set up a subsidiary, probably contrary to the laws of the United States, that does business in Iran and Iran exports terrorism around the world, probably into Iraq as well, for all I know.

To me, it is unimaginable to think that the United States taxpayer is paying this company Halliburton which has had all these abuses but the biggest abuse of all in my opinion is that they are getting around the law and making money in Iran, which in turn is exporting terrorism that could potentially be used against the United States.

I see my colleague from Washington State is here. I am pleased to see that he is joining with us tonight and would yield to him.

Mr. MCDERMOTT. I appreciate this opportunity to come talk, because I think that we saw on Sunday that the campaign we are about to enter into is one in which, one of the themes of this administration is going to be integrity. Integrity is a very interesting thing for them to run on. As one of the earlier speakers said, it is a good thing the White House is not made out of glass, because they would be sitting in shattered glass all over the place by the time this campaign is over. The issue you started on, you stopped. You did not tell the whole story. "60 Minutes" said, okay, so there is nothing going on in the Cayman Islands. Where is this being run from? Then they get a letter from Halliburton that says, well, the Cayman Islands subsidiaries actually run out of Dubai. So they get on a plane, they fly to Dubai, and they learn that this office shares office space and phone and fax lines with a division of the U.S. parent company which raises all kinds of questions about how independent is that. You put that there with the statement that the Vice President made, "I have a firm policy that I wouldn't do anything in Iraq even in arrangements that were supposedly legal. We've not done any business in Iraq since the sanctions were imposed and I have a standing policy that I wouldn't do that."

That is a quote from 8/27/2000. This is while he is in the middle of the campaign. This is the man who wants to

run on his integrity. According to oil industry executives, this is from *The Washington Post*. That is a minor newspaper that has a little something to say about what is going on in this town. According to oil industry executives and confidential U.N. records, however, Halliburton held stakes in two firms that signed contracts to sell more than \$73 million in oil production equipment and spare parts in Iraq while CHENEY was chairman and the chief executive of the Dallas-based company. Two former senior executives say that, as far as they know, there is no policy against doing business with Iraq.

You tell me that a company that is running a billion dollar operation has people who are executives and do not know that there are sanctions on Iraq? How bald can you be in what you are willing to say, whether it has any connection to what the facts are or not? Those Halliburton subsidiaries joined dozens of American and foreign-owned supply companies that helped Iraq increase its crude oil exports from 4 billion in 1997 to 18 billion in 2000.

□ 1830

The Vice President made a flat statement, I have a firm policy I would not do anything in Iraq. Meanwhile his company is helping Iraq quadruple its export of oil. This is the man whose integrity really runs deep, and he says I have nothing to hide or anything, but when it comes to meetings that they had in the White House on developing an energy policy, closed meetings, only invited the industry in, and they are developing the energy policy for the United States of America, a country that is addicted to oil, and when the Congress says we would like to see what those papers are that you did in there, he says, oh, no, that is executive privilege, I cannot show you what we are doing.

They took us to war, at least in part, on the basis of oil and the United States wanting to control oil. All we have to do is look at the machinations of Unical bringing a pipeline down through Afghanistan and then putting Hamid Karzai as the President who was, imagine that, an old Unical guy. He made \$600,000 off Unical. And then we go over to Iraq and we see all the machinations there, and here is Halliburton in there, in the oil business, before the war started. And then we have the audacity to be told sitting in this room that there is an axis of evil out there, Iraq, Iran, and North Korea, and the very people sitting here have been doing business with Iraq and Iran.

Tell me about integrity. How are the American people going to believe any of that stuff? Still drawing pay from them, sitting in this room, occupying a seat of honor and importance, and doing business with the axis of evil. This is the man who says, I want to run on integrity.

And then just to complicate it further, the court case to try to get those

reports away from him goes up to the Supreme Court. So he calls up his friend over at the court, Justice Scalia, and says, hey, how would you like to go duck hunting? Come on over and get over on Air Force II, and we will fly down to Louisiana. I have got a place down there, and I will put you up for the weekend, and we can shoot ducks.

Now, how can anybody have any belief in integrity when people stand up there and say there is not an appearance of impropriety with the Vice President, with a case before the Supreme Court, taking one of the Justices down on a private hunting trip for the weekend? What do my colleagues think they talked about, ducks? Maybe. Maybe they talked about the New Orleans Saints, or Mardi Gras is coming. I am sure business never come up. They spent 3 or 4 days down there, and they never talked about any of the problems that the country faces. Can one imagine that, that the Vice President of the United States and one of the Justices on the Supreme Court would sit and talk about fluff for 4 days and never discuss how this man can have the gall to say I want to run on integrity when he makes these kinds of flat statements?

The whole career, the whole business of the issue, if we could ever get an investigation in the House into what went on in giving us the information about weapons of mass destruction, we will find his fingers all over it from trips he made out to Langley to the CIA, and then everybody stands around and says we were misled. We were given all this bad information. Come on, give me a break. You are big boys, and you cannot have it both ways. You cannot talk out of both sides of your mouth.

Ultimately the people will figure it out. Abraham Lincoln said, "You can fool some of the people all of the time and all of the people some of the time, but you cannot fool all of the people all of the time." The end is coming for this integrity of the oil destiny.

I yield back and thank the gentleman for giving me a chance to talk about the Vice President.

Mr. PALLONE. Mr. Speaker, I appreciate what the gentleman said. And sometimes I think that we forget that not only these abuses are going on, but the circumstances in which they are going on, and all this money is being wasted.

And there was an editorial in the *New York Times*, I guess, January 30, and I am not going to read it all, but just the end. The whole thing was about Halliburton and all their abuses, and they wanted to remind us, and I would like to remind us, just by quoting a couple of sentences, "The United States is at war. The government is running deficits. Money is tight everywhere. But Halliburton won't even kick in its fair share. It continues to benefit from the Nation's largesse, while scouring the world for places to shelter as much of its American riches as possible."

It is bad enough that they have a subsidiary that is doing business in Iran and that there are all these overcharges and abuses, but keep in mind that this is happening while we are at war, the government is running record deficits, and money is tight, and things that we really need to spend Federal dollars on cannot be provided for, and in the middle of this they are involved in all this abuse.

I yield to the gentlewoman from Illinois (Ms. SCHAKOWSKY), who has been down here many times to address this same issue.

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for allowing me to share my thoughts on this.

I wanted to begin with something that may seem a little bit off point. I just returned from the White House meeting along with the Congressional Black Caucus that was kind enough to let me come along, in a meeting with Secretary of State Colin Powell and Condoleezza Rice and the President, and we were talking about the crisis in Haiti right now. And one of the reasons now given for our going to Iraq was to liberate Iraq, to bring democracy to Iraq. And we stand here right now at a moment when violence and thugs and M-16s are moving toward the palace of the democratically elected President of Haiti, Mr. Aristide, and there seems to be a reluctance for the United States now to get involved in saving a democracy.

Whatever one thinks of Mr. Aristide, some of us do not like some of the things the President does, or we are talking about the Vice President tonight, but we are going to wait until November, until there is another election. We are not even so sure about the last election. They talk about some irregularities in the Haitian election in 2000. We think there were some here, too, but we do not do anything. And I got to thinking that what if there was some oil in Haiti? Maybe there would be a little more interest on the part of the United States in really doing something.

Our hope is that the President understands, and I know he understands, but that in the light of there being an imminent bloodbath in Haiti, that the United States takes some action. It would be pretty ironic if we were trying to bring democracy to Iraq and yet we let democracy crumble in Haiti.

Let me get back to the point. I have been watching these ads on television that Halliburton has been putting on. They are pretty glossy ads, and they show soldiers, handsome young men and women, getting meals that Halliburton says that it is providing to our soldiers; and says that Halliburton has been doing all this great work, and I am sure that over the years they can proudly point to some of their accomplishments. But they are bragging about meals right now, and what we have found out now is that, yes, they provide meals, but they have also been

charging for three times as many meals as were actually served in a major Army facility in Kuwait, that American taxpayers are paying millions and millions of dollars to Halliburton for meals that simply never got served. Whoops, a little mistake. Or is it just a mistake?

Maybe the gentleman has referred to it already, and he can stop me if he has, but the gentleman from California (Mr. WAXMAN) has been doing a wonderful job in calling for investigations of these overspendings on behalf of the American taxpayers. We should not be paying 1 cent more than we need to be spending, particularly in a war that, in my view, we should not have been involved in in the first place. But there we are, and Halliburton is there, too.

So he, along with the distinguished gentleman from Michigan (Mr. DINGELL), sent a letter on February 12 to the Director of the Defense Contract Audit Agency asking them to look into some of the problems based on information that was provided to them by whistleblowers. It is not always so easy to be a whistleblower, to stand up and risk one's job and sometimes risk all kinds of retribution to tell what is really going on.

Halliburton deserves scrutiny. They were awarded in 2001 a global logistics contract worth about \$3.7 billion, 90 percent of this total value for work in Iraq, and here is what these whistleblowers are saying that Halliburton is doing: that they are engaging in these improper practices, telling employees that price does not matter. This is from the letter: "High-level Halliburton officials frequently told employees that the high prices charged by vendors were not a problem because the U.S. Government would reimburse Halliburton's costs and then pay Halliburton an additional fee. One whistleblower said that a Halliburton motto was 'Don't worry about price. It's cost-plus,'" which means they not only get their costs, but, on top of that, some profit. So do not worry about it.

"Wasteful spending: Ordinary vehicles were leased for \$7,500 a month. Higher prices than necessary were paid for furniture and cellular phone service. Poor quality mobile homes were purchased and accepted even though much better units were available. Under Halliburton's cost-plus contract, all of these wasteful expenditures were passed on to the taxpayer. The company even sought to order embroidered towels at a cost of \$7.50 each when ordinarily towels would have cost about one-third of the price."

Those of us who are involved in decorating our homes, maybe once in a while we are going to splurge on an embroidered towel. I do not think that we need to do that when we are trying to be cost-effective in a war in Iraq and have a little money left over to help some people at home.

"Avoiding competition among vendors: Halliburton's objective was to keep as many purchase orders as pos-

sible below \$2,500 in value . . ." Because they are being frugal? No. The letter goes on to say: ". . . so its buyers could avoid the requirement to solicit quotes from more than one vendor. Instead of having multiple vendors submit competitive quotes for needed materials and selecting the lowest quote, Halliburton frequently sought only one quote from a single vendor."

"Inviting unjustifiably high quotes: It was routine for Halliburton buyers to copy a requisition, hand it to a single Kuwaiti vendor, and tell the vendor to submit any quote below \$2,500 the next day. The focus was not on obtaining a reasonable price."

And there is a lot more in this letter, but in the summary here, it says, "Relying on an inadequate list of preferred vendors: Halliburton's supervisors provided buyers with a list of preferred Kuwaiti vendors. Many of the preferred firms were unreliable or charged 'outrageous' prices. Supervisors did not encourage buyers to identify alternative vendors and, in some cases, wanted to use a higher-priced vendor on the preferred list rather than a new, cheaper vendor."

"According to the whistleblowers, improved business practices would yield significant savings."

And they talk about "Mr. Bunting," one of the whistleblowers, "estimated that competition could reduce costs by up to 15 percent. The former procurement supervisor explained that when he obtained three quotes instead of just one, he typically saved up to 30 percent." So we are paying top dollar, unnecessarily high prices.

And just what is this company and its relationship to the Vice President? Because that is what we are talking about here today. The integrity of this administration is in question.

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And when Mr. CHENEY says in 2000, July of 2000, before the election, said, "What I will have to do, assuming we are successful in the election, is divest myself, sell any remaining shares that I have in the company," the fact is a congressional report found that Mr. CHENEY still owns more than 433,000 Halliburton stock options, including 100,000 shares at \$54.50 per share, 33,333 shares at \$28.00, and 300,000 shares at \$39.50. That is from CNN in September of 2003.

Then he says in January of this year, "I severed my ties with Halliburton when I became a candidate for Vice President in August of 2000." I do not know what "severed" means. I clearly do not understand the meaning of the word "severed," because, to me, this is a pretty good and lucrative tie. "Along with 433,000 stock options," and this is a quote from CNN, "CHENEY still receives about \$150,000 a year" from Halliburton.

I would like people I may have severed ties from to have that kind of deal. Severed to me means no, I do not get any money, but that is clearly not

the definition of the word to Mr. CHENEY.

So I think, look, there are just so many questions here, and I do not know if this issue would even come up so much if we could count on this company spending taxpayer dollars in the way that they should be spent. But it is not one issue, it is not two issues, it is time after time after time. Every time the light is shined on what Halliburton has done, we find taxpayer dollars that are being wasted there. We cannot afford to do that. The Vice President of the United States should take some responsibility for that. It is a company he was CEO of. This is a company he continues to gain benefits from, and I think it really does raise a matter of where does the buck stop, where is the responsibility and the accountability, and, fundamentally, it raises questions of integrity, of ethics.

So I appreciate the gentleman letting me raise the issues.

Mr. PALLONE. Mr. Speaker, I appreciate the gentlewoman coming down tonight to talk about this. I know she has done it before. Particularly when she raises the issues of the ads Halliburton is running, I have seen some of them, but I forgot about the fact in the middle of all this, they are spending money to basically tell people how wonderful they are while an investigation is going on. The bottom line is the Pentagon now is actually finally conducting an investigation. What you and I have said is we should have hearings here in the Congress.

I go back again to that New York Times editorial that I mentioned before that says keep in mind that while Halliburton commits all these abuses, the United States is at war. I cannot imagine that if this was World War II or another major conflict, but I will use World War II as an example, it is what we call war profiteering, and anyone who was associated with that, we have seen the old movies where there is an old World War II movie where they picture the war profiteers. They are the enemies of the State. They are like no different in the public's mind than Nazi Germany or the countries that were fighting the United States, because they were making a profit at the expense of the taxpayers during a time of war.

So, given the fact that all this has been exposed, and we do not have to go through the facts again, but everyone in the kickbacks on the contract work, which Halliburton actually admitted, the overcharging for the meals, the fact that you have the subsidiary and the questionable aspect that was brought up in 60 Minutes, why in the world are the Republicans not having hearings, bringing out how the United States might be wasting billions of dollars in a time of war?

I do not even have to add the deficit and the spending that we might want to see on other things more important for the average citizen. Just the fact this is happening at a time of war and

this company may be making a profit on the war, it is just incredible to me.

All we are asking is that our Republican colleagues in control of the House have some sort of hearings and bring this up. That is all that you mentioned in the letter from our colleagues on our committee, the gentleman from Michigan (Mr. DINGELL) and the gentleman from California (Mr. WAXMAN), want. That is all they are asking be done, and still the Republicans refuse to do it.

We are just going to come down here and continue to come down here until some effort is made by the majority party to have hearings and to have some accountability. We just cannot keep bleeding with all this money that is going into this company. It just does not make any sense.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BISHOP of Utah). The Chair would remind Members that it is not in order in debate to directly accuse the President or the Vice President of lacking integrity or of "speaking out of both sides of their mouth."

GREAT WORK BEING DONE BY 10TH MOUNTAIN DIVISION, FORT DRUM, NEW YORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BURGESS) is recognized for 5 minutes.

Mr. BURGESS. Mr. Speaker, we have certainly heard a lot of information here this evening. Of course, both sides in this House have not only the right, they have the obligation to speak out when they believe that things are not right. It is an election season, and we are hearing a lot of political discourse and rhetoric. We hear a lot of it from the Presidential campaign trail. While it is their right and while it is their obligation, we all know, we should know, that words have consequences, and the words spoken here in this House do resonate across the country.

I would never question anyone's motives or patriotism, but, at the same time, Mr. Speaker, I just cannot help but point out, last week I traveled to the countries of Iraq and Afghanistan, it was my second trip to Iraq, my first trip ever to the country of Afghanistan, and had a chance to see what was happening there on the ground.

Mr. Speaker, we hear about Afghanistan and Iraq and the capture of Saddam Hussein in December. In an effort, I guess, to minimize the importance of that, and let me say that was important and we are safer because that man is in custody, but in an effort to minimize the importance of that significant event, we heard rhetoric that, well, it does not really matter, because we should not have been in Iraq in the first place, we had not finished the job in Afghanistan.

Mr. Speaker, I want to take a minute tonight and talk about what I saw

going on in the country of Afghanistan, and I wanted to talk about the great work that is being done by the 10th Mountain Division out of Fort Drum, New York.

Mr. Speaker, General Austin in Afghanistan with the 10th Mountain Division spoke to us, and as part of his briefing he shared with us a picture, and the picture was so dramatic that I wanted to share it with this House, and, in fact, I wanted to share it with the country.

Mr. Speaker, this is a picture of what our guys in Afghanistan are doing to end the war on terror in that country, to reclaim that country for its people, and, in the end, to make us safer here at home.

Here you see some of our young soldiers. Here is a man, and I do not remember whether he was Taliban or al Qaeda, but he lived in a house on a steep mountainside. He thought he was relatively immune from prosecution in that perch because he could see anyone coming up the hillside to apprehend him. So he was sitting by his campfire one morning taking his morning meal, and this very large helicopter, half of it landed on his roof, and he was apprehended by our forces. You see him being loaded in the back of the helicopter to come and face whatever charges were brought against him.

Mr. Speaker, this is a dramatic, dramatic photo showing what lengths our fighting men and women will go to in order to end the conflict in Afghanistan, and I believe they are well on the way to ending that. In fact, Mr. Speaker, I would go so far as to say as soon as the snow melts out of the passes in those mountains on the border area between Afghanistan and Pakistan, we are very likely to see the very beginning of the end for those groups who mean to harm our troops and innocent Afghani citizens and those individuals who want to prevent the return of civil society to Afghanistan.

So, Mr. Speaker, I know it is a little bit off the point of what we have just been hearing, but, in fact, there are some good things going on in the world. Our troops are doing a masterful job on the ground, both in Iraq and Afghanistan. I am proud of them. I am proud of our country.

Just for the record, Mr. Speaker, I was over there, but I did not consume any meals, so we will not have to reimburse the people for those.

But, once again, I wanted to point out just the dramatic aspect of that photo. Think of the risk that pilot is taking in order to apprehend that individual and bring him to justice, the loadmaster in the back of that craft that essentially landed the helicopter on that man's roof. You can imagine the surprise of that individual as he was brought into United States custody.

IMPORTANCE OF SERVICE ECONOMY IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from California (Mr. DREIER) is recognized for 60 minutes.

Mr. DREIER. Mr. Speaker, I do not normally use this forum of Special Orders to address our colleagues, but tonight I want to spend some time talking about a very important issue. I want to talk about hamburger-flipping jobs. Actually, I want to talk about the claim made by some politicians and pundits that the American economy is turning into an economy of hamburger-flipping jobs.

Now, we all know that hamburger-flipping jobs is a buzzword. It is a phrase intended to sum up a lot of complex changes that are going on in the American economy. Obviously those changes are impacting jobs. They are impacting businesses, they are impacting families, and they are impacting communities. Talking about hamburger-flipping jobs is a way to say that our economy is in decline. It says we are losing, quote/unquote, good jobs, and in their place we are creating bad jobs, second-rate jobs, no-future jobs.

Sometimes the same people talk about dishwashing jobs, or janitor jobs, or retail jobs, especially at Wal-Mart or Target or K-Mart. People use buzzwords because they reduce complicated ideas to a simple digestible package, and in this case we are talking about a whole host of very complex economic trends.

It is no surprise that people turn to buzzwords. We no longer have to worry about viewers nodding off to sleep during long-winded speeches. They have 200 cable channels from which to choose, and obviously the unlimited Internet, so they can clearly move on for seconds.

But, Mr. Speaker, I hope that our colleagues will bear with me as I go through this, because I think it is absolutely critical to dispel the utterly ridiculous, factually inaccurate, completely fictitious assertion that the American economy is heading downhill and that we are replacing good jobs with hamburger-flipping jobs.

Exposing the charade of the hamburger-flipping jobs argument is absolutely critical, because these buzzwords are at the heart of a concerted attack on the fundamental basis, Mr. Speaker, of our economic strength, an attack on the fundamental basis of America's economic strength.

There are serious people who want to turn back the clock on our economy, threatening very real gains that have been made by millions and millions of American families.

Now, it is buzzword time again, Mr. Speaker. Talking about hamburger-flipping jobs is a way to demean our, quote/unquote, service economy. What do we mean by service economy? We do have an economy that is increasingly